



OAKVILLE

**TAX ASSISTANCE
PROGRAM (TAP)**

GUIDE



1. Program Description

The purpose of the **Tax Assistance Program (TAP)** is to encourage the environmental remediation, rehabilitation, adaptive reuse and development of brownfield sites. This program provides a financial incentive in the form of a cancellation of Town property taxes for up to 3 years during and after the remediation and redevelopment of a brownfield property to help offset the costs of environmental site assessment and environmental remediation. The province of Ontario may also elect to participate with the cancellation of the education property tax for up to 3 years on a case by case basis as described below.

2. What types of projects are eligible for the Tax Assistance Program?

Only properties where environmental remediation and/or risk assessment/risk management is required to permit the proposed use and projects that result in an increase in property assessment and property taxes will be eligible for funding under the program.

3. Who can apply?

Only owners of properties within the Community Improvement Project Area that meet the program eligibility requirements may apply for this program. The Community Improvement Project Area includes all lands within the Urban Area of the Town of Oakville. The boundary of this area is shown in the attached figure.

The Town retains the right and absolute discretion to reject an application received from a person or corporation which in the opinion of the Town or its professional advisers, does not possess the experience, financial, technical, personnel or other resources that may be required to carry out the obligations that the applicant proposes to assume under the terms of its application.

4. What costs are eligible for tax assistance under the Tax Assistance Program?

“Eligible costs” for this program are the costs of any action taken to reduce the



concentration of contaminants on, in or under the property to permit a record of site condition (RSC) to be filed in the Environmental Site Registry under Section 168.4 of the *Environmental Protection Act*. This includes the costs of:

- a) a Phase I ESA, Phase II ESA, Designated Substances and Hazardous Materials Survey, Remedial Work Plan, and Risk Assessment/Risk Management Plan;
- b) environmental remediation, including the costs of preparing a Record of Site Condition (RSC);
- c) placing, grading and compaction of clean fill to replace contaminated soils/fill disposed of off-site;
- d) installing, monitoring, maintaining and operating environmental and/or engineering controls/works as specified in the Remedial Work Plan and/or Risk Assessment/Risk Management Plan; and,
- e) environmental insurance premiums.

5. How does the Tax Assistance Program work?

Under the Tax Assistance Program, any Town property tax increase will be cancelled for up to three (3) years and any education property tax increase will be cancelled for up to three (3) years (subject to approval from the Ontario Ministry of Finance) after the passing of a by-law to cancel municipal and education property taxes on an eligible property, or up to the time when the total amount of municipal and education property tax assistance provided equals the total eligible program costs as noted in 4) above, whichever comes first. In no case will the total amount of tax assistance provided for an eligible property exceed the total eligible program costs as noted in 4) above.

If the applicant wishes to access the education property tax cancellation, the Town will apply on behalf of the applicant to the Ontario Ministry of Finance.

6. What conditions must be met to be eligible for tax assistance?

In addition to the General Program Requirements, the following program specific requirements must also be met:



- a) Applications must be accompanied by:
 - i) a Phase I ESA and also a Phase II ESA that shows that the property does not meet the standards under subparagraph 4i of Section 168.4(1) of the *Environmental Protection Act* to permit a Record of Site Condition (RSC) for the proposed use to be filed in the Environmental Site Registry;
 - ii) all other available environmental studies conducted on the property;
 - iii) a Remedial Work Plan or a Work Plan for Risk Assessment/Risk Management including a description of the proposed remediation, risk assessment/risk management actions to be taken, including the methods, approaches and technologies to be used;
 - iv) two (2) cost estimates prepared by qualified persons (as defined by the *Environmental Protection Act* and Ontario Regulation 153/04) for the proposed environmental remediation and risk assessment/risk management actions to be conducted on the property;
 - v) a set of detailed architectural/design and/or construction drawings for the proposed development of the site;
- b) All property owners participating in this program will be required to enter into an Agreement with the Town which will specify the terms and conditions of the tax assistance.
- c) The applicant must upon completion of remediation/risk assessment, file in the Environmental Site Registry a Record of Site Condition (RSC) for the property signed by a qualified person, and the applicant shall submit to the Town proof that the RSC has been acknowledged by the Ministry of Environment (MOE);
- d) Drawings and as-built works must conform to the Town's Guidelines, and appropriate reference material as determined by Town staff;
- e) The Town may require submission of a Business Plan, with said Business Plan to the Town's satisfaction; and,
- f) The property shall be renovated, expanded, developed or redeveloped such that the amount of work undertaken is sufficient to at a minimum result in an increase in the assessed value of the property by the Municipal Property Assessment Corporation (MPAC) and an increase in property taxes.



7. Is there a fee to apply?

No.

8. Can the tax assistance be retained by the property owner or assigned to a new property owner if the property is sold after the property is remediated and redeveloped?

The tax assistance cannot be assigned by the applying property owner to a new property owner and the tax assistance terminates at the point of sale, severance, subdivision or conveyance of the property.

9. When is the tax assistance provided?

Once the applicant has provided proof that the RSC has been filed and acknowledged by the Ministry of Environment (MOE), the tax assistance will be provided in the form of a “cancellation” of the municipal and education property tax increase incurred for up to 3 years during/after the remediation/risk assessment up to the total cost of the eligible works incurred as demonstrated via the submission of paid invoices for said eligible works, and a letter(s) confirming payment from the qualified person/contractor(s).

The applicant has the option to have the tax assistance commence immediately upon execution of the tax assistance agreement, or the applicant can wait to commence the tax assistance for a time (as specified in the tax assistance agreement) until the project has been completed and reassessed by the Municipal Property Assessment Corporation (MPAC). Under either option, the property tax increase that has been cancelled will remain on the property tax roll of the property until the proposed brownfield redevelopment project has been completed, at which time the property taxes that have been cancelled will be removed from the property tax roll.



10. How do I apply?

- a) Arrange a pre-application meeting with staff in order to determine program eligibility, proposed scope of work, project timing, etc..
- b) If authorized to apply, complete and submit an application form. Ensure that all required signatures have been provided and that the application is accompanied by all required documentation as specified by staff.

11. What happens next?

- a) Applications and supporting documentation are reviewed by staff to ensure that they meet all of the eligibility requirements. If your application does not meet the eligibility requirements, you will be notified of this in writing.
- b) Applications and supporting documentation are reviewed by staff to determine eligible costs.
- c) Staff may request clarification or additional supporting documentation.
- d) Once you have submitted a complete application, you will be notified of this in writing.
- e) Staff will perform an initial site visit(s) and inspection(s) of the property (if necessary).
- f) An estimate of the post-project assessment value will be prepared by staff based on construction cost information provided by the applicant.
- g) The estimated post-project assessment value is used to calculate the estimated:
 - i) post-project Town, Region, and education property tax increase;
 - ii) duration of the tax assistance period for municipal and education property taxes; and,
 - iii) the total amount of municipal and education property tax assistance to be provided.
- h) A recommendation on the grant application will be made by staff and forwarded to Council.



- i) If staff is recommending approval of your application, the following documents will be prepared by Town staff:
 - i) a Recommendation Report;
 - ii) a Draft Tax Assistance Agreement;
 - iii) a Draft By-law authorizing municipal and education property tax assistance under Section 365.1 of the Municipal Act (as applicable); and,
 - iv) an Application to the Minister of Finance for matching education property tax assistance.
- j) Documents i) – iv) are subject to the *Freedom of Information and Protection of Privacy Act*.
- k) If and when the Regional Municipality of Halton elects to participate in the Tax Assistance Program, Documents i) – iii) are forwarded to Regional Council with a request for matching Regional tax assistance.
- l) Documents i) – iv) along with the Tax Assistance Application form are then forwarded to the Ministry of Finance and any conditions specified by the Minister are included in the By-law.
- m) The Tax Assistance Agreement is then finalized and forwarded to you for your signature and return;
- n) The Recommendation Report, Tax Assistance Agreement, and the By-law are then forwarded to Town Council for approval.
- o) You will be notified in writing of the decision made by Town Council.
- p) If Council approves the application, the Agreement you signed will be signed by Town officials and a copy of the executed agreement will be provided to you;
- q) Environmental remediation/risk management works may now commence;
- r) You must file a record of site condition (RSC) in the Environmental Site Registry under Section 168.4 of the Environmental Protection Act and provide the Town with a copy of this RSC. You must also provide proof to the Town that the RSC has been acknowledged by the Ministry of Environment;
- s) Town, (Region – if applicable) and education property taxes will be cancelled as described in Section 8) above.



**FOR FURTHER INFORMATION ON THIS PROGRAM, PLEASE CONTACT
THE OAKVILLE ECONOMIC DEVELOPMENT DEPARTMENT**

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Community Improvement Project Area

